

Judge: Dore
Chapter: 13
Hearing: 7/18/2012
Place: Seattle
Time: 9:30 a.m.

UNITED STATES BANKRUPTCY COURT FOR THE
WESTERN DISTRICT OF WASHINGTON

In re:)
KASEY R. SELF, and) Case No. 12-14441
REBECCA L. SELF,) UNITED STATES' OBJECTION TO
Debtors.) CONFIRMATION OF CHAPTER 13 PLAN
)
)

COMES NOW the United States of America, by and through its attorneys, Jenny A. Durkan, United States Attorney for the Western District of Washington, and Catherine L. Campbell, Special Assistant United States Attorney for said District, on behalf of its Agency, the Internal Revenue Service (Service), and hereby objects to confirmation of the debtors' proposed Chapter 13 Plan (Plan). The Service submits the following grounds in support of its objection to confirmation:

1. The Service timely filed an amended proof of claim in the total amount of \$74,564.00. Of that amount, \$27,087.68 is a claim entitled to priority under 11 U.S.C. § 507(a)(8) and \$47,476.32 is a general unsecured claim.

2. While the original claim asserting that a portion of the Service's claim was secured was objected to, the Service's

United States' Objection - 1 -
to Confirmation of
Chapter 13 Plan

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Attorney
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1 amended proof of claim reflects the Service's concession that
2 it has no secured claim in this proceeding.

3 3. The Internal Revenue Service's priority claim must be
4 paid in full under the terms of the plan. 11 U.S.C. §
5 1322(a)(2).

6 4. The Service's claim is estimated, in part, because the
7 debtors have not filed their U.S. Individual Income Tax Return
8 (Form 1040) for tax year 2011. The due date for the 2011 return
9 has been extended. Because the IRS may be bound by the terms of
10 the confirmed plan, the Plan should not be confirmed until the
11 debtors file their tax return so that the Service can file a
12 proof of claim liquidating the amount of tax due.

13 5. Because said return has not been filed, the debtors'
14 plan cannot be evaluated to determine whether it provides for
15 payment of the Service's claim as required by Sections 1322(a)
16 and 1325 of the Bankruptcy Code. In re Barnes, 32 F.3d 405 (9th
17 Cir. 1994).

18 6. Because the debtors have not filed their Form 1040 for
19 tax year 2011 as required by Bankruptcy Code § 1308, this case
20 may be subject to dismissal under Bankruptcy Code § 1307(e).

21 7. The plan is currently not feasible. The plan requires
22 payments in the amount of \$3,370.00 monthly for 36 months.
23 The plan provides for distributions to the creditor holding a
24 secured claim in the amount of \$2,995.00 each month. Only the

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1 remaining \$375.00 is available to pay the Service's priority
2 claim as well as the trustee and attorney fees.

3 WHEREFORE, the United States respectfully requests that the
4 Court deny confirmation of debtors' Chapter 13 Plan.

5 DATED this 7th day of June, 2012.

6
7 JENNY A. DURKAN
United States Attorney

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9 By: /s/ Catherine L. Campbell
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In re:) BANKRUPTCY NO. 12-14441
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KASEY R. SELF, and)
REBECCA L. SELF,) CERTIFICATE OF SERVICE
)
)
Debtors.)

The undersigned hereby certifies that (s)he is an employee of the Office of the Chief Counsel, Internal Revenue Service, Seattle, Washington, and is a person of such age and discretion as to be competent to serve papers; that on the date set forth below (s)he served a copy (or copies) of the UNITED STATES' OBJECTION TO CONFIRMATION OF CHAPTER 13 PLAN on the persons hereinafter named by ECF:

Christina Latta Henry	K. Michael Fitzgerald
Attorney for Debtors	Chapter 13 Trustee

DATED this 7th day of June, 2012.

/s/ Catherine L. Campbell

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